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SUBJECT: RUSSIA-MOLDOVA: TIME OUT ON TRANSNISTRIA

Classified By: PolMilCouns Alice G. Wells. Reason: 1.4 (b, d)

Summary

11. (C) Russia and Moldova began negotiating a package in secret after the reconciliation last August between

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Presidents Putin and Voronin. The package included the status of Transnistria within a neutral Moldova, the modalities of governance and peacekeeping, and assurances that Transnistrian privatization of enterprises to Russian interests would not be reversed. Once agreed, Russia would have proposed the package as its own, getting the credit for making peace. In January, Russia stopped negotiating, ostensibly because the Moldovans shared the "secret" p with the U.S., EU and others -- making it impossible for Russia to get the credit. The Transnistrians now have the "secret" papers and are threatening to publish them. Russia probably backed away for more substantive reasons as well: the Moldovans in Moscow believe nationalist "ideologues" prevailed over the "pragmatic, economically-minded siloviki" for whom the Moldovans crafted the package. The Russians have demanded a "time out" while the dust from Kosovo settles, and are meanwhile trying to end the Five plus Two negotiating format; Putin reportedly proposed this to Yushchenko during their last meeting. End Summary.

## Rashomon on the Nistru

12. (C) In conversations this week, the Russian MFA and Moldovan and Rumanian embassies each gave us a few pieces of the puzzle of Moldovan-Russian bilateral negotiations, which we have tried to piece together -- making allowances for the agendas on all sides.

Whose Package?

13. (C) After Putin and Voronin met at the informal CIS Summit in Moscow last August, the Moldovans put together a package proposal for normalizing relations between Moldova and Russia, including the resolution of the Transnistria conflict. The outlines were clear: Transnistria would be incorporated into Moldova as long as Moldova remained "neutral" -- i.e., stayed out of NATO. This compromise would be incorporated into the Moldovan constitution. A Security Council would make all important decisions, headed by the Moldovan President with the Transnistrian leader as his deputy. The autonomous Transnistrian administration would continue to function, while the Transmistrian Parliament would operate for a transitional period. Privatizations carried out by the de facto Transnistrian authorities -mostly to Russian and Ukrainian interests -- would not be reversed. The Russian peacekeepers would be replaced by an international PKO consisting of Russian, Ukrainian and EU

forces under an OSCE umbrella.

¶4. (C) The Moldovans proposed that they and the Russians agree on the exact package, which the Russians would then propose to the parties -- Moldova and Transnistria -- as their own. Moldova hoped that the lure of getting credit for resolving the conflict would motivate Russia to force the Transnistrians to agree. Until then, the Moldovans told the Russians, the papers were confidential, the contents to be known only to the Russian and Moldovan negotiators. Negotiations continued for the remainder of 2006. The Moldovans believed the Russians were "positive," asking for ever greater detail and definition.

## A Russian Change of Heart

- 15. (C) In January the Russians backed away. Former Russian Ambassador Zubakov, now a Duma member, told Moldovan negotiators Sova and Tkaciuk that Russia is "not interested" in their proposals. Russian MFA negotiator Nesterushkin told them the proposals are "unrealistic." Nesterushkin fell back on the line that the Moldovans had to convince the Transnistrians, not the Russians. Talking to us, he compared Sova and Tkaciuk to door-to-door vacuum cleaner salesmen: "They come to your house, demonstrate their vacuum, and then tell you to sell it to their neighbor. You tell them it is they who need to sell it to their neighbor, and their reply is just, 'See what a good vacuum this is! How well it works!'"
- 16. (C) The Russians cite Moldovan indiscretion for the change. Nesterushkin complained bitterly that the Moldovans had been adamant about maintaining confidentiality -- but then gave the papers to the U.S., EU and others. He did not say the obvious: that Moldova's sharing made it impossible

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to maintain plausibly that these were Russia's proposals, and that Russia deserved the credit for making peace. It appears that the papers have now "somehow" come into the hands of the Transnistrians, who are threatening to publish them, to the embarrassment of all.

- 17. (C) Moldovan indiscretion may have been a convenient excuse, but more substantive reasons appear to have motivated Russia as well. Given its increasingly vocal distrust of the U.S. and the OSCE, Russia is now less welcoming of the Five plus Two format, which includes Russia, Ukraine, the OSCE, EU, U.S., Moldova and Transnistria. During their last meeting in Kyiv last December 22, Putin reportedly proposed to Yushchenko that Russia and Ukraine get together to scrap the Five plus Two and replace it with a Russian-Ukrainian process. Yushchenko rebuffed Putin; Ukraine is reportedly eager to retain a process in which it is a player on an equal basis with major Western powers.
- ¶8. (C) The Moldovans here believe that the victory of "ideologues" over "pragmatists" may be a second major factor in the changed Russian position. According to their political counselor here, the Moldovans tailored their proposals to appeal to what he called the "economically-minded siloviki and businessmen" in Russia who invested heavily in Transnistria and want most of all to see their investments safeguarded. The Moldovans hoped this lobby could outweigh the Great-Russian nationalists in the Duma who have played a negative role. These latter include deputies such as Baburin, Zatulin, Alksnis and the rest of the familiar constellation of nationalists. The Moldovans believe that at some point perhaps having to do with 2008 electoral politicking these "ideologues" gained the upper hand in determining Russian policy on Moldova.
- 19. (C) The Romanians cite Kosovo as a third reason for the Russians to delay or scrap the negotiations, and the Russians tacitly agree. Once the status of Kosovo becomes clear, all

other separatists will take that as a departure point in their demands. Russia would not wish to appear to be selling out its separatist clients by imposing a solution less desirable than that which -- in their view -- the West succeeded in foisting on the Serbs. The Russians therefore appear to have decided to wait and see what the landscape looks like after the dust of Kosovo settles.

## Comment

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110. (C) The Russians would indeed like to resolve Transnistria -- if it means getting the credit, showing the West by analogy that its role in Georgia is justified, keeping Moldova "neutral," retaining a Russian presence that will keep Ukraine's and Romania's influence to a minimum, and preserving Russian business interests. If that cannot be achieved, or if the Russians do not trust Voronin to live up to his end of the bargain, the status quo is preferable. In any case, Russia is in no hurry, and will take a leisurely pace to keep Moldova the anxious demandeur -- for example, despite agreement on every issue, Moldovan wine is still not permitted on the Russian market; the Ministries are waiting for the call from Putin which never comes. We would expect the Russians, eventually, to get back to the Moldovans with their own proposals, which could well look very much like the Kozak proposals of 2003.

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